

## SCRUTINY COMMITTEE FOR AUDIT AND BEST VALUE

MINUTES of a meeting of the Scrutiny Committee for Audit and Best Value held at County Hall, Lewes on 18 November 2009.

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PRESENT - Councillor Sparks (Chairman)  
Councillors Bennett (Vice-Chairman), Birch, Ensor, Lambert and Whetstone

OFFICERS - Andrew Ogden, Director of Law and Personnel  
Duncan Savage, Assistant Director Audit and Performance  
Paul Dean, Scrutiny Manager  
Richard Hemsley, Deputy Director, Corporate Resources for item  
(see minute 25)  
Janyce Danielczyk, Accounts Manager, Corporate Resources for item 5  
(see minute 25)  
Rawdon Phillips, Risk Manager, for item 7 (see minute 27)  
John Morris, Head of Property, for items 8 and 9 (see minutes 28 and 29)  
David Attwood, Policy and Performance Team Leader for item 9  
(see minute 29)  
Valerie Titli, Asset Management Plan Assistant, for item 9 (see minute 29)  
Becky Shaw, Director of Policy and Performance, for item 10  
(see minute 30)  
Jane Mackney, Head of Policy and Performance, for item 10  
(see minute 30)  
Sarah Dyde, Policy Manager – Equalities, for item 10 (see minute 30)

### 22. MINUTES

22.1 RESOLVED – to approve as a correct record the minutes of the meeting of the Committee held on 2 September 2009.

### 23. APOLOGIES

23.1 Apologies for absence were received from Councillor Gadd.

### 24. REPORTS

24.1 Copies of the reports on the matters dealt with in the minutes below are contained in the minute book.

### 25. PAYMENT OF INVOICES

25.1 The Deputy Director of Corporate Resources and his Accounts Manager gave a presentation to the Committee, and responded to questions, on the Payment of Invoices encompassing the following areas:

- Background to the payments process
- Performance targets
- Performance targets for 2009/2010
- Latest performance
- Audit Opinion
- Benchmarking
- Looking ahead - improvements

Copies of the presentation were circulated at the meeting and a copy is also appended to the minutes.

25.2 RESOLVED - To (1) welcome the information contained in the presentation;

(2) thank the Deputy Director of Corporate Resources and Accounts Manager for the presentation; and

(3) request that a progress report be brought back to the Committee in six months time.

26. INTERNAL AUDIT PROGRESS REPORT – QUARTER 2 (1 JULY 2009 – 30 SEPTEMBER 2009)

26.1 The Committee considered a report by the Deputy Chief Executive and Director of Corporate Resources summarising the key audit findings, progress on delivery of the audit plan and performance of the Internal Audit Service during Quarter 2.

26.2 Officers reported on, and responded to, questions about the key audit findings set out in Appendix A to the report. Members noted the three partial assurance and one minimal assurance opinions reported. Members' concerns focussed, in particular, on the key audit findings in relation to (a) Putting People First (Adult Social Care); and (b) Home to School Transport – Budget Management (Transport and Environment/Children's Services).

26.3 RESOLVED – to (1) receive the report;

(2) endorse the actions being taken to address the issues raised in the key audit findings;

(3) request that the relevant officers from the Children's Services and Transport and Environment Departments be invited to attend the next meeting in March 2010 to explain how the implementation of the audit recommendations is being taken forward in respect of Home to School Transport; and

(4) request that the Project Officer for the Putting People First project be invited to attend a future Audit and Best Value Scrutiny Committee meeting to provide an overview and explain the processes in place to manage risk and ensure appropriate controls are put in place.

27. STRATEGIC RISK MONITORING LOG

27.1 The Committee considered a report by the Deputy Chief Executive and Director of Corporate Resources updating Members on current strategic risks faced by the Council, their status and mitigating actions.

27.2 Members were advised that the following areas would be added to the next Risk Log, either as new risks or additions/alterations to existing risks, with appropriate mitigation actions.:

- Planning for probable transfer of concessionary fare responsibility to County level in April 2011 (Transport and Environment)
- Retaining appropriate financial controls in the movement to widespread personal budgets under Putting People First (Adult Social Care)
- Impact of the growth in referral and consequent placements for Vulnerable and looked after Children (Children's Services)
- Managing the procurement of major contracts (All)

- Impact of the national elections in 2010.

27.3 RESOLVED – to (1) note the current strategic risks, the update of their status and the mitigation actions being proposed and implemented by Chief Officers; and

(2) request the Deputy Chief Executive and Director of Corporate Resources to include in future Risk Monitoring Logs additional detail in respect of new or revised risks and mitigating outcomes.

## 28. SCRUTINY REVIEW OF COUNCIL PROCUREMENT WITH LOCAL SMALL AND MEDIUM SIZED ENTERPRISES

28.1 The Committee considered a report by the Chairman of the Review Board presenting the outcomes of the Scrutiny Review of Council Procurement with local small and medium sized enterprises SMEs). The Chairman thanked his fellow Board Members, Councillors Bennett, Ensor, Gadd and Whetstone, Paul Dean, the Scrutiny Manager, and the other officers involved for their help and support with this Review.

28.2 RESOLVED – to (1) welcome the report, agree its findings and recommendations, subject to (a) the rewording of recommendation 8 to clarify that it refers to certain complex contracts; and (b) the inclusion of the numbers of SMEs for the different categories of procurement investigated by the Board;

(2) refer the report and recommendations to Cabinet on 15 December 2009 and then to the County Council for approval on 9 February 2010; and

(3) note the launch of the Supply Chain Readiness network, known as Build East Sussex, on 27 January 2010.

## 29. PROPERTY IMPROVEMENT PROJECT AND CORPORATE ASSET MANAGEMENT PLAN

29.1 The Committee considered a report by the Deputy Chief Executive and Director of Corporate Resources updating Members on progress with the Property Improvement Project and the Corporate Asset Management Plan which was adopted by Cabinet on 20 October 2009.

29.2 Members noted that that the policy is to achieve best price when disposing of property in order to satisfy the Council's duty to Council Tax payers and to enable reinvestment in core services. The potential for the transfer of assets to the community was discussed in this context and the Assistant Director, Property reported that the general rule regarding the need for best price generally applied, but that officers were considering community asset transfer in respect of a few properties where this may be appropriate in the circumstances

29.3 RESOLVED – to note and welcome the actions taken regarding the Property Improvement Project.

## 30 EQUALITIES UPDATE

30.1 The Committee considered a report by the Director of Policy and Communications setting out the progress made with the Equalities Agenda.

30.3 RESOLVED – to note and welcome the progress made on the Equalities agenda.

### 31. FUTURE SCRUTINY WORK PROGRAMME

31.1 The Committee considered a report by Director of Law and Personnel setting out the Scrutiny Committee's work programme for the forthcoming year.

31.2 Members noted the three suggested future scrutiny projects:

- The Place Survey – when the Residents' Survey was completed, the outcomes would be emailed to Committee Members for them to suggest possible lines of enquiry with a view to considering a possible Scrutiny Review in March 2010.
- Costs of Agency Staff – the Council had engaged Comensura to manage the employment of agency staff and a clearer picture of, for example, the costs involved and average length of employment should be available by March 2010. The Committee might wish to initiate a review at that time.
- Compensation claims against the Council – Members agreed that they would wish to explore the cost effectiveness of alternative methods of processing compensation claims and achieving an optimum balance between prevention and meeting claims..

31.3 RESOLVED – to (1) note the Scrutiny Committee's programme of work; and

(2) to establish a Scrutiny Board to explore the effectiveness of the process for dealing with compensation claims against the Council, the membership of the Board to comprise Councillors Sparks and Bennett.

### 32. FORWARD PLAN

32.1 The Committee considered the Forward Plan for the period 16 November 2009 to 28 February 2010.

31.2 RESOLVED – to note the Forward Plan.